1	UNITED STATES DISTRICT COURT
2	EASTERN DISTRICT OF LOUISIANA NEW ORLEANS, LOUISIANA
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6	IN RE: PROPULSID PRODUCTS * Docket 00-MDL-1355-L LIABILITY LITIGATION *
7	* November 19, 2004, 9:00 a.m. * * * * * * * * * * * * * * * *
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9	MONTHLY STATUS CONFERENCE
10	BEFORE THE HONORABLE ELDON E. FALLON UNITED STATES DISTRICT JUDGE
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12	APPEARANCES:
13	For the Plaintiffs: Herman, Mathis, Casey, Kitchens & Gerel
14	BY: RUSS M. HERMAN, ESQ. 820 O'Keefe Avenue New Orleans, Louisiana 70113
15	For the Defendants: Irwin Fritchie Urquhart
16	& Moore BY: JAMES B. IRWIN, ESQ.
17	400 Poydras Street, Suite 2700 New Orleans, Louisiana 70130
18	For the Defendants: Drinker, Biddle & Reath
19	BY: CHARLES F. PREUSS, ESQ. 50 Fremont Street, 20th Floor
20	San Francisco, California 94105
21 22	Official Court Reporter: Toni Doyle Tusa, CCR 500 Poydras Street, Room B-406 New Orleans, Louisiana 7013
23	(504) 589-7778
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25	Proceedings recorded by mechanical stenography, transcript produced by computer.

1 PROCEEDINGS 2 (November 19, 2004) 3 THE DEPUTY CLERK: Everyone rise. 4 Court is in session. Please be seated. 5 THE COURT: Call the case. 6 THE DEPUTY CLERK: 00-1355, In Re: Propulsid 7 Products Liability Litigation. 8 THE COURT: Counsel, make your appearances for the 9 record. 10 MR. HERMAN: May it please the Court. Good morning, 11 Your Honor. Russ Herman for the Plaintiffs Legal Committee. 12 MR. IRWIN: Jim Irwin for the defendants. 13 THE COURT: We are here today in connection with our 14 monthly meeting. I received from the liaison committees a 15 joint report. The first item on the joint report is "Update of 16 Rolling Document Production and Electronic Document 17 Production." Anything on that? 18 MR. HERMAN: We have nothing new to report since the 19 last meeting, Your Honor. 20 THE COURT: The second item is "State Liaison 21 Counsel." Anything from the state, Ms. Barrios? 22 MS. BARRIOS: No, Your Honor. We are just anxiously 23 awaiting the numbers on the enrollment and, when the federal 24 settlement gets done, to hopefully move into a state 25 settlement.

1 THE COURT: The next item is "Patient Profile Form 2 and Authorization." 3 MR. IRWIN: Your Honor, the numbers are as reported 4 in Joint Report 35 and we continue to defer action on these as 5 the settlement program is under way. 6 THE COURT: "Service List of Attorneys." 7 MR. IRWIN: Yes, Your Honor. We have the current service list, and I can confirm to the Court it does contain 8 9 the pro se names and addresses to the best of our information. 10 THE COURT: "Motion on Class Certification." Is that 11 still on hold? 12 MR. HERMAN: Yes, it is, Your Honor. 13 THE COURT: "Trust Account." Anything on the trust 14 account? Any deposits recently made? 15 MR. HERMAN: There are no new deposits since the last 16 status conference, Your Honor. 17 "Mediation." THE COURT: 18 MR. HERMAN: No new mediations have taken place. 19 THE COURT: "Trial Schedule." What about a trial 20 schedule for state court cases? Anything from the defendants 21 on trial scheduling? 22 MR. HERMAN: We have been advised by defense counsel 23 by letter of approximately a dozen cases that are set for trial 24 beginning in 2005 and none of those cases are MDL cases.

THE COURT: Anything from the state on that? Do you

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have any information? 1 2 MS. BARRIOS: No, Your Honor. 3 MR. HERMAN: We will provide Ms. Barrios, of the 4 State Liaison Committee, with a list of what those cases are. 5 MS. BARRIOS: Thank you. 6 THE COURT: "MDL Mediation and Resolution Program." 7 Any report on that? Let me hear from plaintiffs or defendants. 8 MR. HERMAN: With respect to the resolution, we are 9 advised that approximately 25,000 enrollment forms have been 10 received. I will let Mr. Preuss advise the Court. He is the 11 counsel most familiar with that process. 12 MR. PREUSS: Well, Your Honor, as stated by 13 Mr. Herman, we have approximately 25,000, 26,000 submissions 14 coming from about 111 law firms. We have linked about 70 15 percent of the names on the submitted ones to our static 16 database established as of February 1 this year. 17 THE COURT: When you say "linked," you mean 18 confirmed? 19 MR. PREUSS: Confirmed. Right now, in terms of 20 submissions for wrongful deaths, there are 311. THE COURT: What was the target? 21 22 MR. PREUSS: 242. 23 THE COURT: So it looks like that has been met. 24 MR. PREUSS: That has. Right now we have confirmed 25 121 of those, so there is some verification due. With respect

to the personal injury category, the minimum requirement is 2,653. We have submitted 1,473 so far and 1,307 of those have been verified.

On the claimant status, 17,977 have been submitted and the minimum requirement is 12,000, which would also include in that number the accords. We have verified 8,259. We have a category of uncategorized -- if you will, where we have not been told where they are submitting them -- that's 3,714. We expect that a good number of those will probably move into the MDL personal injury.

What we need to do to complete the 30 percent linking is to get identifying information. We have a number of individuals that are represented by multiple law firms. We need to straighten that out, then we simply need to get date of birth information, Social Security for others, and verify the names. We will be going through the MDL, Pat Juneau's office, to help us on that, as well as provide input to the plaintiffs' firms and request their continuing cooperation to get us that information so we can complete the link-up and have a database from which we can start processing the claims forms.

THE COURT: What's the process that you anticipate?

Do you have a list that you can submit to plaintiffs' counsel?

MR. PREUSS: Yes, Your Honor. We will be able to provide a list of individuals who have been listed in their submissions and which we need identifying information. We will

send them out to each law firm. The sooner they get them back, the sooner we can do the link-up.

THE COURT: When can you get it out?

MR. PREUSS: Wednesday of next week.

THE COURT: Let's do that by Wednesday of next week. What are the plaintiffs going to do when you get that list?

MR. HERMAN: There's a San Andreas Fault, Bermuda Triangle, and Black Hole of the law that takes place between December 15 and January 3, but we intend to convene the Plaintiffs Legal Committee for a two-day phone bank, which was very successful on enrollment, and make assignments. We believe that even though we are in this period that we should be able to contact the approximately 111 plaintiffs' lawyers who have filed enrollments and advise them what they have to do. We hope to have that information by the end of the year and hope that, with the additional information, the enrollment required can be confirmed by the target date of January 15.

THE COURT: What's the latest with the government? We are talking now about the potential liens that the government may have.

MR. PREUSS: My last communication, which occurred after the last status conference, Your Honor, was a request for representative cases that fell within the various tiers that have been set forth in our term sheet for them to get a handle on what kind of expenses are associated with a Propulsid injury

or death. That information has been provided to them and we will continue to keep them informed as to the numbers we are dealing with and respond to their questions. At some point we will want to get with them and see if we can work it out with them in terms of satisfying their liens on a global basis.

THE COURT: I may set up some conference with you and the government and a representative of the Plaintiffs Legal Committee so we can talk about that aspect of the case. I need both of you to think about the most efficient way. It seems to me a global handling is the easiest way. If not, I would like to move the decision from the administrative government program to see if they can get aboard with the mediation and let the mediator set the amount of the liens in each individual case so we can move it along. I'm trying to avoid having this come at us after all the funds are either in the registry of the Court or ready to be distributed and then we can't distribute them because we don't know the answer to those specific questions. I really would like that handled before we get to the point of distributing the funds.

MR. PREUSS: We'll work with plaintiffs' counsel to effect that, Your Honor.

MR. HERMAN: Your Honor, there are two other matters within this item. Recently the Court approved the distributing agent, Mr. Clavier, and the parameters of his duties in the administration of a qualified settlement fund. Mr. Stephen

Murray, on behalf of the PLC, has provided us with a first draft of a way in which we may be able to deal with due process and fairness and at the same time satisfy the requirements of the settlement going forward by a notification/affidavit process. We are going to present a second draft, have the PLC prepare that draft, send it to the defendants, and hopefully submit that in motion and short brief form to Your Honor within the next two weeks so that those individuals who have potential claims for which there is no current address, phone number, e-mail, despite every attempt to locate them -- so that those individuals who may be potential claimants may be handled appropriately.

THE COURT: Okay. We are dealing with a number of issues. One issue is the resolution of those cases that have come in from the February deadline and that are presently in the mix and that's what we have been talking about. I suspect there will be some cases that may have been slowed down for some reason or other that didn't make the February cutoff, but now are interested in perhaps joining in the program. We are going to have to bunch those cases together and then focus on them to see what can be done with those.

I think you are going to have some that have looked at the settlement program and feel that, for various reasons, they may not be interested in resolving the matter in an amicable manner and they want to try the case. We are not

there yet, but we may have however many of those cases that we have to then decide what I am going to do with them, either send them back or I go back with them and try the case or devise some method to resolve those cases.

With regard to the pro se cases, I think you have two categories. One category is those who are interested in proceeding pro se. I will have to deal with those by advising them what they have to do and give them certain deadlines. If they meet the deadlines, we'll try them pro se. If they don't meet the deadlines, they may have to have their cases dismissed.

There are some litigants that nobody has heard from in many years. Those cases, once the Court is satisfied that all actions have been taken to locate those individuals using the mails, using databases, using whatever method is appropriate to reach those individuals, I will assume the responsibility of dealing with those cases and I will have to dismiss those cases. In our profession, lawyers have a duty to represent and keep in contact with a client, but that's a two-way street. The client also needs to advise their lawyer if they have changed addresses or some other information.

We'll do the best we possibly can to reach them, but when we have exhausted that, they will have to be dismissed.

Then there are the state cases. I don't know at that point whether the state cases want to be bunched together

1 and looked at from the standpoint of settlement. 2 defendants have indicated they are interested in trying to do that, but you may have that same type of situations above 3 4 discussed with the state cases. We will have to look at that a 5 little more closely because those cases may not be before me, 6 so I don't know how much I can get involved in dismissing or 7 moving those cases. Give it some thought and we'll talk about 8 If I can be of assistance in this case, I would like to do 9 so. 10 The next item is "Global Application of 11 Daubert." The status is still the same on that? 12 MR. HERMAN: Yes, Your Honor. 13 THE COURT: "Stipulation and Pretrial Order Providing

THE COURT: "Stipulation and Pretrial Order Providing for the Use at Trial of Depositions in State or Federal Court."

MR. HERMAN: We believe we have reached agreement.

MR. IRWIN: I believe the Court has signed the order.

THE COURT: "Pro Se Plaintiffs" is the last one. It talked a little bit about that. Do we need anything more on that?

MR. HERMAN: Not at this time, Your Honor.

THE COURT: Anything further from anyone?

MR. HERMAN: We need a date for the next one.

THE COURT: Anything further from the state?

MS. BARRIOS: No, Your Honor.

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THE COURT: We have a date of Thursday, December 16.

I'll meet again with the liaison committees at 8:30 and start at 9:00. Have a good Thanksgiving. Court will stand in recess.

THE DEPUTY CLERK: Everyone rise.

(WHEREUPON, the Court was in recess.)

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## CERTIFICATE

I, Toni Doyle Tusa, CCR, Official Court Reporter,
United States District Court, Eastern District of Louisiana, do
hereby certify that the foregoing is a true and correct
transcript, to the best of my ability and understanding, from
the record of the proceedings in the above-entitled and
numbered matter. This certification is valid only for a
transcript accompanied by my original signature and seal on
this page.



Jow Doyle Jusa Toni Doyle Tusa, CCR Official Court Reporter